January 20, 2025

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Comments on the Deschutes Watershed Center Hatchery MDNS, SEPA #202405534

The Wild Fish Conservancy (WFC), Conservation Angler (TCA), and Washington Wildlife First (WW1) appreciate the opportunity to provide comments on the Mitigated Determination of Non-Significance (MDNS) for the proposed Deschutes Watershed Center Hatchery (Proposed Hatchery). The State Environmental Policy Act (SEPA) review process is intended to help agency decision makers, applicants, and the public understand how *the entire proposal will affect the environment.* However, WDFW's SEPA checklist sidesteps many of the environmental impacts of the proposed action(s), including WDFW's claims that it is committed to releasing approximately 3.8 million salmonsmolts annually within the watershed. The SEPA analysis also fails to compare the proposed action with a no-action alternative.

This project raises significant concerns regarding its potential environmental, ecological, genetic, and cumulative impacts on wild fish populations and the surrounding ecosystem. WDFW owes the public a full and complete understanding of the impacts that this proposed hatchery is likely to have before additional public money is committed to this ~\$33,616,000 project (in 2020 dollars, not including the estimated \$347,000 annual operating costs). Based on a thorough review of the MDNS, we find it is inadequate and ask that it be withdrawn. A comprehensive Environmental Impact Statement (EIS) should be prepared to allow the public to fully understand and comment on the environmental consequences of the proposed action before any further development of the project takes place.

The proposed new hatchery mirrors a pattern of limited environmental reviews previously observed in similar projects, such as the Pioneer Park Hatchery proposal (MDNS 17-009). In that case, WFC identified substantial deficiencies in the evaluation of cumulative impacts, genetic risks, and ecological consequences associated with increased hatchery operations. Unfortunately, the current MDNS for the proposed hatchery follows the same path, narrowly and inadequately focusing on construction impacts while omitting the broader ecological and genetic effects of releasing 3.8 million Chinook smolts annually. These omissions fail to meet the requirements of SEPA and undermine the public's ability to evaluate this project's true environmental costs.

The MDNS states that hatchery production is exempt from SEPA under WAC 197-22-835 (5) without providing evidence that the documented effects on the target species for artificial production, or other species connected to them, are *routine* or *minor*, as the exemption requires. Even if the total number of hatchery fish stays constant under this proposal, the

construction of a brand new facility certainly makes the production, release, and handling of those fish non-routine.

Although not included in this analysis, some specific details of the proposed hatchery operation are known: on January 23, 2023, WDFW submitted draft Hatchery Genetic Management Plans (HGMPs) for Chinook and coho salmon at the Proposed Hatchery to the National Marine Fisheries Service for federal review which we are attaching to this comment for the administrative record. From WDFW's website, it appears that federal review is underway and is not anticipated to be completed until at least 2026. However, WDFW has inappropriately omitted any of these details from consideration and failed to provide these documents for review by the public as part of this SEPA review. This is significant because information in the draft HGMPs appear to contradict or conflict with information in the SEPA checklist and materials that were made available to the public.

For example, the SEPA Checklist states WDFW plans to produce and release approximately 3.8 million salmon smolts annually within the watershed stating, "Production levels have been strategically reduced over the years to reach the current level of 3.8 million (Figure 1). This is the condition of the existing environment." In contrast, the draft HGMP for the Deschutes River Fall Chinook Program (draft Chinook HGMP) specifies that "the co-managers [are] considering an increase in production in the Deschutes River to 7.8 million to provide additional prey for SRKW and enhance fisheries." The document specifically identifies this planned increase as justification for capital improvements to hatchery facilities in the Deschutes River, including the Proposed hatchery. While referencing, but not providing the information in the HGMPs, the public has never had an opportunity to comment on this significant increase in production that will have likely and significant environmental impacts.

The SEPA checklist leaves the door open for production increases, noting that "this facility could accommodate an increase in fish production if future needs are determined." SEPA does not permit WDFW to segment its evaluation of the Proposed Hatchery from any analysis of the impact of the increases to hatchery production that the facility will allow. This violation is all the more egregious because WDFW has consistently refused to conduct the required SEPA evaluation on the impact of any increases to hatchery production—meaning it is very likely that any increases through the Proposed Hatchery will *never* go through SEPA evaluation.

It is also significant that in its SEPA documents WDFW does not specify the species composition of the 3.8 million salmon smolts to be produced at the Proposed Hatchery, raising the possibility that new salmonid species (coho or steelhead, for example) might be raised in the new facility without SEPA / environmental review. This lack of fundamental information renders the SEPA analysis incomplete.

Additionally, the Department provides no information about the fate of the current Tumwater Hatchery facility, except to imply—as justification for using the "routine release" SEPA exemption—that it is being replaced 1:1 by the Proposed Hatchery. However, WDFW

¹ https://wdfw.wa.gov/fishing/management/hatcheries/hgmp#puget-sound

performed a multi-million dollar Tumwater Falls hatchery upgrade in 2020, including constructing new holding ponds, making modifications to the existing fish ladder, and creating a viewing area for the public. If the Tumwater Falls program continues to produce hatchery fish, those produced in the proposed Hatchery will be in addition to current production levels. Furthermore, WDFW has said that the construction of the Proposed Hatchery is crucial to its 2021 Master Plan² for boosting the production of hatchery salmon by state hatchery production, in part because it will free up space at the other hatcheries for production.³

Hatchery operations have well-documented risks to wild salmonids, including increased competition, predation, and genetic introgression. The project SEPA documents fail to identify how, or even where, salmon broodstock will be captured for this new program in a manner that does not impact other migratory and native fish species, such as the Olympic Mudminnow, a state sensitive fish species found in many Deschutes watershed wetlands and low-gradient stream reaches. Additionally, the MDNS lacks a detailed analysis of disease and pathogen risk associated with this new hatchery facility. Scientific reviews, such as those done by WDFW's own staff in 2020, consistently demonstrate that hatchery-origin fish can displace wild fish, reduce genetic diversity, and exacerbate population declines⁴⁵ These impacts have been shown to occur not only in the watershed where a hatchery is located, but also in nearby watersheds where hatchery fish stray. The MDNS does not adequately address these risks despite their prevalence in the best available science, nor does it provide detailed plans for managing the proportion of hatchery-origin spawners (pHOS) in the affected and adjacent watersheds. Without effective pHOS management, the genetic integrity and long-term viability of wild populations in and around the Proposed Hatchery will be at significant risk.

These impacts are not limited to the Deschutes watershed; they extend to adjacent (and in some cases distant) watersheds and marine environments where the Deschutes hatchery Chinook will migrate and stray, compete for limited food resources, and potentially spread pathogens. For example, in the Snoqualmie River, a major tributary in the Snohomish watershed with no Chinook hatcheries, over 30% of the Chinook that return annually are strays from hatcheries. Of those hatchery strays, approximately 70% originate from hatcheries outside of the Snohomish watershed (WRIA 07)⁶. Hatchery fish may exhibit reduced homing fidelity relative to natural origin fish, and of salmonids propagated in hatcheries,hatchery Chinook tend to stray more than any other species⁷. It is extremely likely that hatchery fish produced in the Proposed Hatchery will stray into the Nisqually watershed and other nearby watersheds with ESA-listed Chinook populations, where the impacts identified by WDFW (2020), and referenced above, will manifest. The Nisqually Chinook are part of the ESA-listed stock of Puget Sound, and are vital for the recovery of the overall health of Puget Sound, and their survival is critical to

http://www2.bio.ulaval.ca/louisbernatchez/pdf/(556)%20McMillan Fisheries Management and Ecology 2023.pdf

² https://wdfw.wa.gov/publications/02213

³ https://nwsportsmanmag.com/as-oly-talks-final-budget-suit-filed-on-deschutes-hatchery-plan/

⁴ https://wdfw.wa.gov/sites/default/files/publications/02121/wdfw02121 0.pdf

⁶ https://repository.library.noaa.gov/view/noaa/48894/noaa 48894 DS1.pdf

⁷ https://salmonscience.washington.edu/wordpress/wp-content/uploads/2014/10/Westley-et-al.-2013.pdf

that ESU recovery. The most recent Washington State of the Salmon report released in 2022 by the Governor's salmon recovery board lists Puget Sound Chinook as "in crisis" and continuing to decline.⁸

The Deschutes watershed is also critical habitat for ESA-listed Puget Sound steelhead species and other sensitive fish populations, and essential fish habitat for ESA-listed Chinook. The MDNS does not adequately analyze how hatchery operations will impact these species—in the Deschutes and adjacent watersheds including the Nisqually River, through competition and habitat displacement, through increases in marine mammal populations and predator "dinner bell" impacts associated with hatchery releases, as the result of habitat and water quality degradation, and because of the genetic introgression from hatchery to wild fish. In its own hatchery policy review (2020), WDFW documents that the state's hatchery monitoring program is inadequate, and where it has been implemented, many facilities fall short of environmental quality standards⁹. SEPA mandates a thorough evaluation of these kinds of known impacts to ensure that projects do not further compromise the recovery of threatened and endangered species and the ecosystem as a whole.

From a site-specific environmental perspective, the construction of the Proposed Hatchery will require a clearcut of a complex forest upslope of a bluff, and modify wetlands to add 6.3 acres of impervious area. The plans show a 14' wide access road that appears to be at a 30% gradient cutting through a substantial bluff for the last 100 feet before reaching the Deschutes River. No information is provided to explain whether or how stormwater runoff and associated water quality impacts from this road will be monitored or managed; in fact, the SEPA checklist inaccurately describes general site conditions as "flat." The Proposed Hatchery impacts mapped wetlands, fish and wildlife habitat conservation areas, 100-year flood zones, a Critical Aquifer Recharge Area, ESA-listed Mazama pocket gopher soils, and Shoreline Master Program conservancy-designated lands requiring 250-foot buffers on streams. Likely for these reasons, Olympia Ecosystems purchased the adjacent property to conserve and protect sensitive habitats.

Additionally, the Deschutes River and Budd Inlet already face severe water quality challenges, including impairments for temperature, dissolved oxygen, and fine sediment. Increasing hatchery effluent by raising juvenile salmon on site (instead of in distant hatcheries) without robust monitoring, adaptive management, and mitigation measures will likely exacerbate these problems, further threatening critical habitats for ESA-listed species such as Puget Sound steelhead, and Puget Sound Chinook critical habitat in Budd Inlet. The MDNS ignores the proposed hatchery's cumulative impacts, the broader ecological context in which it will operate, and fails to provide sufficient details on effluent treatment plans or water quality protection and monitoring measures, leaving significant gaps in the environmental review process.

The project's connection to the Southern Resident Killer Whale (SRKW) Prey Initiative further underscores the need for a more comprehensive review. While never described within the SEPA proposal, the Proposed Hatchery explicitly aims to produce Chinook to support SRKW

⁸ https://stateofsalmon.wa.gov/regions/puget-sound/salmon/

⁹ https://wdfw.wa.gov/sites/default/files/publications/02133/wdfw02133.pdf

recovery efforts. Draft HGMP's for both coho and Chinook both identify the purpose of this program as "mitigation and conservation (prey for Southern Resident Killer Whales (SRKW)". The SRKW Prey Initiative has never been evaluated under SEPA, and the MDNS improperly segments the Proposed Hatchery from its impacts through the SRKW Initiative, contrary to SEPA's requirement that connected actions be evaluated together. A programmatic EIS is essential to assess the cumulative impacts of the SRKW Initiative, including the construction of new hatcheries and their effects on wild fish, ecosystems, and SRKW recovery.

A "no action" alternative has never been considered. WDFW misuses the Hatchery Scientific Review Group (HSRG) as justification to sidestep consideration of a "no action" alternative. In the approximately 25-year HRSR old report referenced by WDFW in its mitigation measures document, the HSRG was not tasked with assessing whether or not hatchery programs were appropriate or necessary—it was only asked to make recommendations to reduce/minimize the impacts that existing programs were having on wild fish. Furthermore, the best available science on hatchery impacts to wild fish populations has evolved considerably over the past 25 years since this report was issued as the condition of wild fish populations has continued to decline. Since WDFW's HSRG reference provided by WDFW is wholly inadequate, it should have analyzed a "no action" alternative.

In conclusion, the MDNS for the Proposed Hatchery is legally insufficient. It omits consideration of a no action alternative; fails to perform a comprehensive evaluation of cumulative, genetic, ecological, and water quality impacts; improperly segments the project from the SRKW Initiative and other plans for hatchery increases; and fails to adequately address risks to ESA-listed species within and beyond the Deschutes watershed. We respectfully ask that WDFW revoke the MDNS and prepare a full EIS to evaluate the broader environmental consequences of the Proposed Hatchery. This review should also include detailed plans for water-quality monitoring; pHOS management in the Deschutes, Nisqually, and other nearby watersheds that are likely to receive strays from the Proposed Hatchery; and protections for ESA-listed species to ensure the sustainability of wild fish populations and their ecosystems.

Thank you for considering our comments. The undersigned organizations look forward to working collaboratively with WDFW to address these issues and promote the recovery of imperiled fish species and their ecosystems.

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Cc: Washington Fish and Wildlife Commissioners